MIDDLE EAST & SOUTH ASIA REVIEW

11 DECEMBER 1986

Lebanon

Israeli aircraft attacked "terrorist" targets north of Tripoli 11 December, hitting bases belonging to the organizations led by Sabri al-Banna and Colonel Sa'id Musa Muragha, the IDF spokesman announced in a statement cited by IDF radio. Beirut radio said that six Israeli planes carried out the raid, which was directed at targets in the Nahr al-Barid area.

As for the camps war, Beirut radio reported that clashes continued in the Shatila camp area 11 December and that 12 people were killed or wounded when rockets struck a mosque in the Al-Shiyah district of southern Beirut. The situation around Maghdushah remained the same, with fighters remaining in their positions. The radio had earlier broadcast an Amal Movement statement accusing the Palestinians of procrastinating about their withdrawal from Maghdushah, stating that they had "reappeared" in positions which they had previously evacuated. Amal had allowed a supply truck and ambulances into the Al-Rashidiyah camp, the statement noted, but it is suspending the dispatch of further supplies into Al-Rashidiyah until the Palestinians show goodwill and resume their withdrawal from Magh-dushah.

In related comment, Amal leader Nabih Birri described the Arab League Council resolution on the camps war as "inadequate and meaningless," according to Radio Monte Carlo. Baghdad Voice of PLO radio reported PLO Executive Committee Chairman Yasir 'Arafat's claim that Syrian President Hafiz al-Asad has ordered Syrian forces to seize Shatila. 'Arafat also dismissed any Iranian mediation role in the conflict.

Israel

A 16-year-old girl was wounded by gunfire when IDF soldiers opened fire to disperse a demonstration in the Gaza Strip 10 December, IDF radio reported. However, the West Bank was "relatively quiet," indicating that "the storm is subsiding," the radio said. Regarding the investigation into the death of an Arab boy near Ramallah 8 December, Jerusalem radio said the defense minister has ordered a search for a civilian believed to be responsible for the shooting, disclosing that the man is a guard at one of the Israeli settlements in the area.

Iran

UK Relations; Cooper Affair — Prime Minister Mir Hoseyn Musavi rejected Britain's demand that Iran release imprisoned British journalist Roger Cooper as a condition for improved bilateral relations, IRNA reported. Britain has repeatedly called for an improvement in relations and even "dared" to raise the issue while it was accusing Syria of involvement in the El Al bomb plot, he said. However, Iran's determination not to expand relations with Britain and its policy on "spies" are both "clear." Musavi's remarks followed an Information Ministry statement that Cooper had been arrested on espionage charges, according to IRNA.

USSR Relations — During talks with visiting Soviet official Konstantin Katushev, Foreign Minister 'Ali Akbar Velayati called for a rapid withdrawal of Soviet troops from Afghanistan and reaffirmed Iran's desire for Afghanistan to become nonaligned and independent, IRNA reported. Regarding economic cooperation, Katushev and the Iranian energy minister discussed joint construction of a dam over the Aras River, IRNA noted.

Iran-Iraq War

Iraqi warplanes hit a large maritime target near the Iranian coast 10 December, according to a military spokesman cited by Baghdad radio.

FBIS **DAILY REPORT**

CONTENTS

South Asia

Vol VIII No 238 *11 December 1986*

MIDDLE EAST & SOUTH ASIA REVIEW i

AFGHANISTAN

Missile Attack on Residential Areas Reported ..... C 1
'Rebel' Group Crushed in Baghlan Province ..... C 1
NFF Delegation Departs for Talks in Mongolia ..... C 1

INDIA

British Minister, Natwar Singh View Terrorism ..... E 1
'Draft Terms' Agreed for U.S. Super Computers *[AFP]* ..... E 1
Rajasthan Exercises Should Cause No 'Alarm' ..... E 1
Bilateral Talks With Nepalese Minister Begin ..... E 1
Death Sentences of Indira Assassins 'Revenge' *[Voice of Tamil Eelam]* ..... E 1
New Violence in Karnataka; Curfew Reimposed ..... E 2
Mysore 'Under Control' 11 Dec ..... E 2
3 Killed in Maharashtra; Disorder in Tamil Nadu ..... E 2
Bomb Explosion Reported in Tamil Nadu 11 Dec ..... E 2
Akali Leader Urges Sealing of Punjab Borders ..... E 3

PAKISTAN

Direct Talks With Afghanistan Ruled Out *[DAWN 27 Nov]* ..... F 1
Foreign Secretary Returns From Moscow Visit ..... F 1
Turkish Delegation Discusses Increasing Trade ..... F 1
Continued U.S. 'Interest' Pledged to New Envoy *[DAWN 27 Nov]* ..... F 1
Editorial Views Gorbachev Comments in Delhi *[THE PAKISTAN TIMES 28 Nov]* ..... F 1
India's Border Exercises 'Provocative Move' ..... F 2

IRAN

Velayati Meets Visiting Soviet Official 10 Dec ..... I 1
Musavi on Arrested Journalist, Ties With UK ..... I 1
Former President Says 'No One in Control' *[ANSA]* ..... I 1
Former Navy Chief on Money to Oppose Government *[AFP]* ..... I 2
Envoy to Paris Meets With France's Raimond ..... I 2
Commerce Minister Comments on Economic Program *[KEYHAN 1 Dec]* ..... I 2
Reportage on Combat Operations in War With Iraq ..... I 5
'Further Blows' Dealt Inside Iraq ..... I 5
Further IRGC, Kurdish Operations ..... I 6
Iraqi Jets Over Ilam Forced To Flee ..... I 6
Communique No 2,681 ..... I 6
Communique No 2,682 ..... I 6

Missile Attack on Residential Areas Reported
LD101902 Kabul Domestic Service in Pashto 1730 GMT 10 Dec 86

[Text] The counterrevolutionaries have fired surface-to-surface missiles on residential areas of Asadabad City and on villages in Narang Subdistrict and Chowkay District, Konar Province once again revealing their inhumane and anti-Islamic character.

The BAKHTAR military correspondent reports that in order to avenge their shameful defeat by the country's courageous Armed Forces these criminals have embarked on cowardly attacks on our innocent compatriots and have martyred seven residents of Asadabad City, including women, children, and old persons. Another 25 persons were wounded.

As a result of the firing of these missiles six houses, including Watan nursery and a shop, were either destroyed or damaged.

The BAKHTAR military correspondent adds that as a result of the firing of surface-to-surface missiles on Narang Subdistrict, 2 of our innocent compatriots were seriously wounded and 11 houses were demolished.

Expressing hatred and revulsion for the perpetrators of this deed the toiling people of Konar Province have denounced imperialism, headed by the criminal Reagan administration which has put weapons of mass destruction at the disposal of Afghan counterrevolutionaries, giving them support and financing them.

'Rebel' Group Crushed in Baghlan Province
LD101855 Kabul Domestic Service in Pashto 1730 GMT 10 Dec 86

[Text] A group of rebels, enemies of our people, tranquillity, and peace, who wanted to make their nest in the surroundings of Baghlan Province and who wanted to disrupt the peaceful life of the people of this region, have been crushed.

The BIA military correspondent has reported that as a result of this successful operation by the Armed Forces, a number of murderers belonging to the notorious Sayaf band have been crushed, and that 30 surface-to-surface missiles, 18 boxes of DShK ammunition, and several U.S. and Chinese-made weapons were seized.

NFF Delegation Departs for Talks in Mongolia
LD110652 Kabul BAKHTAR in English 0424 GMT 11 Dec 86

[Text] Kabul, December 10, BAKHTAR — A delegation of National Fatherland Front (NFF) of the DRA, headed by Abdorrahim Hatef, chairman of the Central Council of the (NFF) left Kabul for Mongolian People's Republic today.

The delegation is to participate at the 14th session of the Presidium of Afro-Asian People's Solidarity Organization, AAPSO, which is due to be held in Ulaanbaatar on December 16, 1986.

British Minister, Natwar Singh View Terrorism
BK101625 Delhi Domestic Service in English
1530 GMT 10 Dec 86

[Text] India and Britain today had a high level discussion on various aspects of terrorism. The visiting minister of state in the British Foreign Office, Mr Timothy Renton, had a meeting with the minister of state for external affairs, Mr Natwar Singh, and later, delegations of the two countries also discussed the issue.

Among the areas covered was the possibility of preventing entry of those likely to indulge in terrorist activities, deportation of terrorists, and their extradition and prosecution. An official spokesman said that the discussions will continue tomorrow, first, at the experts level and, later the ministers will meet.

In reply to a question, he said the issue of an extradition treaty between India and Britain also came up at today's talks.

'Draft Terms' Agreed for U.S. Super Computers
BK110527 Hong Kong AFP in English 0515 GMT 11 Dec 86

[Text] New Delhi, Dec 11 (AFP) — U.S. officials have agreed draft terms to sell India the lastest U.S. super computer after marathon talks on security safeguards, reliable sources said. The agreement followed three days of talks which ran overnight Wednesday between delegations led by U.S. State Department Senior Representative for Technology Transfer Robert Dean and Indian Foreign Secretary A.P. Venkateswaran.

India wants the multi-million dollar Cray XMP/24 computer with a 32 megabyte memory, said to be one of the fastest in the world, mainly for monsoon weather research to aid its agriculture. U.S. President Ronald Reagan and Indian Prime Minister Rajiv Gandhi signed a memorandum of understanding last year opening the way for the transfer of technology. But the United States demanded strong safeguards to prevent the transfer of such high technology as the super computers to the Eastern bloc. It was not known what guarantees the Indians had been able to offer to assure Washington [sentence as received].

An official release after the talks ended overnight said the computer would be sited in New Delhi. The talks had been "fruitful", the release said. The two sides still have to negotiate the specific model and commercial terms before delivery, for which no date has been set, the sources said.

Rajasthan Exercises Should Cause No 'Alarm'
BK111001 Delhi Domestic Service in English
0830 GMT 11 Dec 86

[Text] The chief of Army Staff, General K. Sunderji, says the army exercises in Rajasthan should not cause any alarm to neighbors including Pakistan. Speaking to newsmen in Bangalore today, he said the exercises are held every 3 years and will be continued. They are being conducted in Rajasthan this time as large areas of uncultivated land are available for the maneuvers. He pointed that Pakistan is making hue and cry over it possibly for its own reasons.

The Army chief presented SNA [army] medals to distinguished personnel.

Bilateral Talks With Nepalese Minister Begin
BK110356 Delhi Domestic Service in English
0240 GMT 11 Dec 86

[Text] Bilateral Indo-Nepalese discussions began in New Delhi yesterday. The visiting minister of state for finance and industry, Mr B.B. Pradhan, met the minister of state for external affairs, Mr Natwar Singh, and discussed mainly bilateral economic cooperation. The foreign secretary, Mr Venkateswaran, assisted Mr Natwar Singh in the talks.

The Nepalese miniser also had a meeting with the industry minister, Mr J. Vengal Rao.

Death Sentences of Indira Assassins 'Revenge'
BK110401 (Clandestine) Voice of Tamil Eelam in Tamil
1328 GMT 8 Dec 86

[News Commentary]

[Text] The Delhi High Court has upheld the judgement of the Lower Court imposing the death sentence on the three Sikh militants for assassinating the former Indian Prime Minister Indira Gandhi. This verdict is a perfect example of the shortcoming in jurisprudence and penal codes all over the world. For the time being, the Tamil Eelam Communist Party would like to set aside the idea that these three persons and Beant Singh, who was slain by the bodyguard of Indira Gandhi, fought for the sake of their people.

The basic principle in this matter is quite significant. Punishment is believed to be the factor for correcting people. On certain occasions parents beat their children hoping that their children will realize their mistakes. Government (?locks up) citizens with the hope that it will benefit them. Practically, there is great difference between parents beating their children and the government punishing the citizens. As far as the government is concerned, it is just to make a part of the punishment a punitive action for an act committed against it.

The reason for the death sentence is also very much connected with this concept. Punishment must be used as an example. People are prevented from committing a crime for fear they will also have to undergo similar punishment for such a crime. Viewed from a different angle it can also be taken for a directly revengeful act. A proper analogy to such an act of revenge is that the beaten child tries to beat its parents back. If the child is of an age to still view its parents as an embodiment of authority, it directs its wrath on a younger child or on a person of a lesser status in the house or on somebody else.

The death sentence passed on the assassins of Indira Gandhi is an act of revenge against those three assassins and those who launched the struggle for the liberation of Khalistan. But here, the contention that the death sentence will be a deterrent in the perpetration of crimes appears to be wrong. If it has to be seen

as an example, people should strongly acknowledge the assassination of Indira Gandhi as a crime. But, in fact, as far as the Sikhs of the world are concerned, the assassination of Indira Gandhi is considered proper revenge for the storming of the Golden Temple and killing thousands of people in it. Nor can we fully endorse this idea. We have already said that political murders will not help realize any objectives. Political murders will produce results contrary to these objectives.

As far as teaching a lesson to the Sikhs of the world is concerned, hanging the assasins of Indira Gandhi will not bear any fruit. In fact, it will yield only negative results. Seen in the light of these events, we can say that hanging a person for a political motive is not only a crime committed against humanitarian considerations, but it can also be considered an outrage against sensible behavior.

Killing in war is different. It is committed due to occasional encounters. But the central government, whose objective is to establish peace among its citizens, gearing up all its machinery to execute the death sentence in an inhuman manner, will set an incorrect example before all citizens. This will also encourage the revolutionary forces in the society to continue their struggle. This should be a lesson to the freedom fighters [of Tamil Eelam] also.

Political tasks warrant due explanation. Tasks explained to the people will be in the interest of the people. People can be dominated on the basis of fear. But to govern them, their hearts and their minds should be especially appealed to. Otherwise, administration will be reduced to the level of mere suppression. Methods of suppression are very tough. The rule of suppression will become gradually tougher and tougher. Eventually, the regime of domination will be shattered altogether. At this juncture, we would like to remind the governments and freedom fighters (?who are keen to carry out) their responsibilities, of these things.

New Violence in Karnataka; Curfew Reimposed

BK101605 Delhi Domestic Service in English
1530 GMT 10 Dec 86

[Text] In Karnataka, curfew was reimposed in Mysore City following some violent incidents this afternoon. According to the police, a car and two two-wheelers were burnt by miscreants. More than 100 people have been rounded up. The state additional inspector general of police told our Bangalore correspondent that the situation is now under control. Additional forces have since been rushed to the city. The state home minister, Mr Rachaiah, and the rural development minister, Mr Abdul Nazir Sab are camping in the city. Meanwhile, over 20 cities and towns, including Bangalore and Tumkur, where prohibitory orders are enforced, have returned to normalcy.

Mysore 'Under Control' 11 Dec

BK110343 Delhi Domestic Service in English
0240 GMT 11 Dec 86

[Text] In Karnataka, the situation in the curfew bound city of Mysore is under control. Curfew had been extended to the entire city since yesterday morning following fresh outbreak of violence. The state home minister, Mr B. Rachaiah, and the rural development minister, Mr Abdul Nazir Sab, are camping in the city. The DIG [Depty Inspector General] of police, Mr Ramanujam told our Bangalore correspondent that no untoward incident was reported in Mysore City since last evening. Our correspondent reports that the situation in other 20 towns and cities including Bangalore and Tumkur where prohibitory orders are in force is now back to normal.

The state governor, Mr A.N. Banerjee, has appealed to the people of Karnataka to cooperate with the authorities to maintain law and order. In a broadcast yesterday he appealed to the youth in particular not to fall prey to the antisocial elements taking advantage of such a situation.

3 Killed in Maharashtra; Disorder in Tamil Nadu

BK110342 Delhi Domestic Service in English
0240 GMT 11 Dec 86

[Text] In Maharashtra, 3 persons were killed and 30 others injured when police opened fire to disperse the agitating Shetkari Sanghatan supporters at Suryagaon in Parbhani District yesterday. At least 15 policemen were also injured in stone throwing. The sanghatan [union] has launched a rashtha roko [block-the-roads] agitation for remunerative prices for cotton. According to police, about 2,000 demonstrators tried to block vehicular traffick and indulge in arson and stone throwing. At least five buses were set on fire. The police had to open fire as the lathi [baton] charge failed to disperse the violent crowd.

In Tamil Nadu, the police have been ordered to shoot at anyone attempting to damage public property folowing the burning of three state-owned buses at some places in Madras. The city police commissioner told our correspondent that this was decided after the law-and-order situation was reviewed at a high-level meeting last evening. The incidents followed the arrest of the DMK president, Mr Karunanidhi, for taking part in anti-Hindi agitation. Eighteen DMK supporters were arrested in Madras and remanded to judicial custoday for burning the buses.

Bomb Explosion Reported in Tamil Nadu 11 Dec

BK110957 Delhi Domestic Service in English
0830 GMT 11 Dec 86

[Text] In Tamil Nadu, there was a bomb explosion at rail track near (Chinganalur) in Coimbatore District this morning. The blast caused some damage to the track. However, traffic on the route is not affected. Police and CID [Criminal Investigation Department] officials have gone to the site. Meanwhile, the inspector general of police told our Madras correspondent that 30 people have been taken into custody for burning buses in Madras and some other areas of the state in the wake of the anti-Hindi agitation. Police have taken all precautions and a shoot at sight order has been issued to prevent damage to public property.

Akali Leader Urges Sealing of Punjab Borders

BK101621 Delhi Domestic Service in English
1530 GMT 10 Dec 86

[Text] The leader of the Akali Dal Badal group in the Punjab Assembly, Mr Amrendra Singh, today said that the borders of Punjab should be effectively sealed to stop infiltration of terrorists from the neighboring country. Talking to newsmen in New Delhi, he suggested barbed wire fencing and laying of mines along the borders. He, however, opposed the proposal to create security zones in the border areas of Punjab on the ground that this will encroach upon the rights of the state.

Direct Talks With Afghanistan Ruled Out
BK101631 Karachi DAWN in English 27 Nov 86 p 12

[Excerpt] November 26 — Pakistan will not have direct talks with Afghanistan even after the recent changes in the Kabul hierarchy so long as the Soviet troops were stationed there to support the regime.

Pakistan had withdrawn diplomatic recognition of the Kabul regime after the induction of the Soviet troops in December 1979, and firmly rejected moves for direct talks being conducted by Mr Diego Cordovez, personal representative of UN secretary general on Afghanistan issue.

A Pakistan Foreign Office spokesman at a press briefing here on Wednesday said in reply to a question, that the government of Pakistan did not contemplate any change in the present Geneva talks format. Nor was Pakistan willing to offer any comment on the Kabul hierarchy reshuffle because Islamabad continue to refuse recognition to the Kabul regime, he observed.

The spokesman said that after his second round of talks in Islamabad following his visit to Kabul, Mr Cordovez would make a visit to Tehran on Thursday flying by a special Pakistan Air Force C- 130 aircraft. Mr Cordovez who has kept Tehran informed of the talks on Afghanistan although Iran declined to join the formal talks, would return to Islamabad within about 24 hours. [passage omitted]

Foreign Secretary Returns From Moscow Visit
BK101114 Karachi Domestic Service in English 1100 GMT 11 Dec 86

[Text] The foreign secretary, Mr Abus Sattar, returned to Islamabad today after his 4-day visit to Moscow. He was invited by the first deputy foreign minsiter, Mr Yuliy Vorontsov. The foreign secretary's meeting with Mr Vorontsov was cordial, positive, and constructive. The Soviet foreign minsiter, Mr Eduard Shevardnadze, also received the foreign secretary for a long and useful meeting.

Turkish Delegation Discusses Increasing Trade
BK110448 Karachi Domestic Service in Urdu 0200 GMT 11 Dec 86

[Text] At the meeting between Minister of State for Trade Taslim Nawaz Gardezi and the delegation of Turkish businessmen in Islamabad yesterday, steps to promote trade between Pakistan and Turkey were discussed. At the meeting, problems faced by the exporters in the two countries were also reviewed. The minister of state stressed the need to strengthen the close, fraternal relations between the two countries through an increase in trade and cooperation in other economic fields. He expressed the hope that the present imbalance in trade will be overcome according by the desire of both countries to strengthen relations for mutual benefit.

The Turkish trade delegation lauded the full cooperation extended by the Pakistani Government and traders. The delegation also met with the president and the members of the Rawalpindi Chamber of Commerce and Industry. They discussed possibility of starting joint industrial ventures in addition to removing trade imbalances.

Both sides expressed satisfaction that the Governments of Pakistan and Turkey are providing a permanent loan of $50 million to promote bilateral trade.

Continued U.S. 'Interest' Pledged to New Envoy
BK101627 Karachi DAWN in English 27 Nov 86 p 1

[Excerpt] Washington, Nov 26 — President Reagan says that the new multi-year United States' aid programme for Pakistan would add to the country's strength and confidence.

Accepting the credentials of new Pakistani Ambassador Jamshed Marker at a White House ceremony on Monday, he [President Reagan] reaffirmed United States "continuing and profound" interest in Pakistan's security, economic development, and peaceful aspirations. [passage omitted]

Editorial Views Gorbachev Comments in Delhi
BK101406 Islamabad THE PAKISTAN TIMES in English 28 Nov 86 p 6

[Editorial: "Gorbachev's Stand"]

[Text] The Soviet leader's visit to India and the talks being held in New Delhi amidst much fanfare is a subject being closely followed by commentators on international affairs, media men, and the governments particularly in the region. Mr. Gorbachev's parleys with the Indian leaders quite naturally impinge on the sensitivities of not only the Government of Pakistan but also the people who eagerly await the outcome of the much publicised visit. The first ingredient of the speech of Mr. Gorbachev was that the relations between India and the USSR did not in any way counter or challenge the legitimate rights of other countries; which by corollary included Pakistan. Earlier he was reported to have told Indian journalists that the Soviet Union did not have expansionist designs on Afghanistan and did not intend to keep its troops in that country forever. He elaborated the statement by adding that the Soviet Union stood for a non-aligned and independent Afghanistan and that the day was not far when the question of the political settlement of the problem (around Afghanistan) was resolved. This, he said, would simultaneously mean the solution of the question of withdrawal of Soviet troops from Afghanistan. Mr. Gorbachev is also reported to have said that the Soviet Union had always had good relations with its neighbour, Afghanistan, under all regimes and governments adding "of course we are not going to stay there forever."

The expression of these sentiments is indeed heartening for the government and the people of Pakistan. The Pakistan Foreign Office, therefore, rightly welcomed the Soviet leader's statement that Indo-Soviet relations did not counter or challenge the real and legitimate interests of other countries. Pakistan expressed the desire to develop close relations with the Soviet Union, a neighbour and a superpower which is a permanent member of the

Security Council. While expressing undiluted desire of maintaining cordial relations with the Soviet Union Pakistan emphasised that because of its singular position in world affairs the Soviet Union was vested with the primary responsibility of maintaining peace to which end it would never find Pakistan non-cooperative. The Foreign Office spokesman also said that the prospects of South Asia's future was directly linked with respect for universally recognised principles of sovereign equality, non-interference, non-intervention and non-use of force.

While Pakistan has been impressing all along that it wished to develop close and cordial relations with the Soviet Union, a neighbourly superpower, the only irritant in the furtherance of these objectives has been the presence of massive troops in Afghanistan, an issue on which it has taken a principled stand. The UN special emissary on Afghanistan, Mr. Diego Cordovez, has again resumed his shuttle diplomacy for the resolution of this question which vitally effects the interests of Pakistan. The talks now centre round the instrument fixing the time frame for the withdrawal of Soviet troops from Afghanistan leaving the people of the country to decide their own future in accordance with their own wishes. It might well be noted that Pakistan is not inimical to a pro-Moscow Government in Kabul. It is interested in a complete, albeit phased, withdrawal of troops, return of refugees to their homes and the ushering in of a tension free atmosphere in the region. To satisfy some of the concerns of the Soviet Union, Pakistan has provided international guarantees as asked for, which goes to show the bonafides of the Pakistan Government.

As a superpower which has a significant role to play in global affairs we do expect the Soviet Union to adopt a constructive and progressive approach to the talks being currently held. Let the Soviet Union agree to a time-table for the withdrawal of troops in the minimum possible time. The people of Afghanistan have been subjected to a great deal of oppression for the last seven years. Let this ordeal come to an end. If this expectation from the Soviet Union is fulfilled it will emerge as a pioneer in the comity of nations committed to the cause of eternal peace.

India's Border Exercises 'Provocative Move'

BK111115 Karachi Domestic Service in English 1600 GMT 10 Dec 86

[News commentary by Professor Parvez Iqbal Cheema]

[Text] Ordinarily, nations avoid the holding of military exercises near the borders of a neighboring country as such a pursuit would arouse (?undefined) apprehensions and generate unnecessary frictions. Being fully cognizant of this cooperative tradition within the comity of nations, India's recent amassing of troops on Pakistan borders, ostensibly for military exercises, does not seem to be without other objectives.

Without any deep probe one could easily detect two objectives such an exercise could serve. First, to demonstrate to the Soviets that India, being a good friend of the Soviets, is willing to pressurize Pakistan with a view to pin down its forces on the eastern border as well as shifting the focus of attention from the western to the eastern borders. Second, to lend credence to Indian accusation that Pakistan was involved in the Sikh crisis. As almost all independent observers have agreed that Pakistan is not involved in the ongoing Sikh crisis, it needed to take such an action that could at least convince its own public. Such a move could not only divert the public focus on Sikh crisis but would lend credence to its own version of the crisis. India, in pursuit of its own objectives, has not only violated the accepted norms of civilized behavior but seems to be consistently engaged in setting up dangerous precedent. Professing Gandhian principles of pacifism such behavior contradicts its expressed intention and helps to reveal their real motives.

Apprehensive about India's intention and conscious of its past antagonistic relations, Prime Minister Junejo's response seems to be extremely rational and responsible. Not only he took the representatives of the people into confidence and apprised them of the exact situation but remained cool and calculated toward this extremely provocative Indian move. His assertion that the situation on the borders was exaggerated in the media and threats to the country were blown out of proportion not only reflects realism but also seems to be a Pakistani contribution in strengthening the normalization process even under pressurized conditions. His firm but positive response has certainly assured the nation in his abilities to handle the situation deemed to be on the edge.

India's current moves put Junejo's crisis management abilities to a severe test; but he has emerged unstinted and much larger than what the Indians expected. The visit to GHQ [General Headquarters] and the combined briefings have not only enabled the civilian representatives and military personnel to interact but also highlighted the fact that how much better understanding could emerge if both worked together in congruence to the dictates of national interest. Instead of opting for the executives to work in collaboration with the military establishment, Prime Minister Junejo decided to arrange interactions between the executives, both civil and military, and the representatives of the people. If such innovative practices are allowed to develop further, the chances for resolving many national as well as international crises would certainly intensify.

Velayati Meets Visiting Soviet Official 10 Dec

LD111015 Tehran IRNA in English 0946 GMT 11 Dec 86

[Text] Tehran, Dec 11, IRNA — Foreign Minister 'Ali Akbar Velayati Wednesday [10 December] called for rapid withdrawal of Soviet troops from Afghanistan saying their presence was detrimental to the interests of the regional people. Foreign Minister Velayati reiterated Iran's demand for creation of a non-aligned and independent Afghanistan, adding that Iran sympathised with the Muslim Afghan people in determining their own fate.

Speaking in a meeting with the visiting chairman of the State Committee for the Soviet Foreign Economic Relations, Konstantin Katushev, the foreign minister referred to the Iraqi imposed war and said the downfall of the Iraqi regime was impending. He added that Iraqi ruler Saddam Husayn committed the same crimes that Hitler did in attacking the Soviet Union and, therefore, he should receive due punishment.

Expressing satisfaction over the positive developments in relations between the two countries in the recent months, he said the USSR's commitment to its undertakings would provide grounds for overall expansion of Tehran-Moscow relations.

During the meeting, Katushev announced his country's willingness for expansion of relations with Iran in all fields. He also hoped that the joint commission would be a major step in this direction. The Soviet official also affirmed that Iraq had initiated the war against Iran and hoped it would end 'justly'.

Katushev, heading a delegation, arrived here on Dec 8 to take part in the tenth ministerial session of the permanent commission for Tehran-Moscow economic cooperation.

Musavi on Arrested Journalist, Ties With UK

LD101732 Tehran IRNA in English 1615 GMT 10 Dec 86

[Text] Tehran, Dec 10, IRNA — Prime Minister Hoseyn Musavi has rejected conditions set by the British Government to upgrade its relations with the Islamic Republic of Iran. Britain is demanding the release of imprisoned British journalist John Roger Cooper, arrested in Iran on charges of espionage, as a condition for improving of Tehran-London relations. The prime minister said that his cabinet investigated the request of British officials a few weeks ago but disapproved of any type of promotion in Irano-British relations.

Premier Musavi who was speaking at the end of a cabinet session here furthermore said that the Information Ministry would shortly announce more details on the case of the British journalist arrested for spying.

The London Government has repeatedly demanded that Iran-Britain relations be improved and even once Britain dared repeat its demand while accusing Syria of being involved in an alleged plot to bomb an Israeli air liner at London airport, Musavi said.

Musavi said that Britain in a bid to avoid facing the same difficulties as the U.S. Government, has temporarily suspended efforts to upgrade her relations with the Islamic Republic pending Iran's decision on the detained British national. Reiterated Musavi "the fate of spies as well as Iran's determination not to expand her relations with Britain are clear."

In another development, Interior Minister Hojjat ol-Eslam 'Ali Akbar Mohtashami, who participated in funeral ceremonies of martyrs of the December 6 Iraqi air raid on Ahvaz on behalf of the government conveyed to the cabinet a message from the resistant people of the southern city, which called for several reprisal measures against the Iraqi regime.

Foreign Minister 'Ali Akbar Velayati also briefed the cabinet on recent clashes between Amal militiamen and Palestinians in Lebanon. He said the clashes in Lebanon were a plot hatched by certain politicians to [words indistinct] their talks with the regime occupying Jerusalem. The cabinet also lauded Lebanese Hezbollah group, Amal Movement, Palestinians, and Shi'ites and Sunni ulema for their cooperation with Iran in implementing an Iranian-proposed ceasefire

Ershad-e Islami (Islamic Guidance) Minister Hojjat ol-Eslam Mohammad Khatami who has just returned from a visit to Pakistan handed the cabinet a sum of dlrs 10,200 as well as 376,352 Pakistani rupees donated by the Pakistani people to be spent at the war fronts.

Former President Says 'No One in Control'

AU101226 Rome ANSA in English 1032 GMT 10 Dec 86

[Text] Milan, December 10 — The arms-for-Iran scandal does not involve just United States, but also the Israelis, and Saudi Arabian, Algerian, and European businessmen, not to mention the CIA and the Italian Mafia "selling arms in exchange for drugs", according to former Iranian president, Bani-Sadr.

Interviewed for the latest edition of the Italian weekly, *Gente*, the exiled head-of-state, who was forced to leave his homeland in 1981, also claimed that "no-one" is currently in control of the situation in Iran. "It's chaos," he asserted. "One day, when Khomeyni is no longer there, we'll discover that, just as was once the case in China, Iran of the 1980's is run by a "gang of four". He identified the "four" as being:

— Ahmad Khomeyni, the ayatollah's son "through whose eyes the father sees the world";
— Prime Minister Musavi, "who counts less and less";
— Akhbar Hashemi-Rafsanjani, "who has made enemies everywhere in his attempts to count more";
— Khomeyni's designated successor, Ayatollah Montazeri, who disclosed Iran's purchase of U.S. arms.

Bani-Sadr also speculated that the Iranian authorities' tough reaction to an Italian TV sketch poking fun at Khomeyni was related to the fact that the Italian public television network, RAI, had interviewed him live just a few days previously. Bani-Sadr recalled that RAI interviewed him live from Paris to hear his views on the arms-for-Iran scandal. "Well, in the Iranian leaders' view, a state television cannot take me seriously, or propagate my opinions and then make fun on Khomeyni," the former head-of-

state asserted. "They can never accept that someone like me, whom Khomeyni hunted from the country, is taken seriously, by the same television that then makes fun of him".

Former Navy Chief on Money to Oppose Government

AU111323 Paris AFP in English 1313 GMT 11 Dec 86

[Text] Paris, Dec 11 (AFP) — Admiral Ahmad Madani, the former Iranian Navy commander-in-chief currently in exile in Europe, Thursday confirmed U.S. reports that he had received money from the Central Intelligence Agency (CIA) as aid in his efforts to oppose the Tehran government. In an interview here with *Agence France-Presse*, Mr Madani said he had been given one million dollars by the CIA in 1981 but broke off with the agency after it had demanded information in exchange for the funds. He said he considered the money as a "loan" which he used only to aid his supporters in exile. "I was opposed to the slightest commitment" imposed by the CIA, he added.

The Washington Post said recently that Mr Madani's group had received "several million dollars" by order of CIA director William Casey "but proved too independent by insisting on control of their own anti-Khomeyni operations."

Mr Madani secretly left Iran in September 1980 after a short period as defence minister in the provisional government set up after the overthrow of the shah in February 1979. He lives in Paris and West Germany. He said Thursday he maintained ties with "comparative moderates" in Iran as well as government officials in the United States and Europe. But he denied that he had had any part in the delivery of U.S. arms to Tehran. Mr Madani, who said he was in charge of buying spare parts for the Iranian Army immediately after the revolution, estimated that the U.S. shipments probably reached "hundreds of millions of dollars." But he added that most Western countries, notably France and Italy, delivered arms in small shipments to Iran.

He appealed to the United States to stop selling arms to both parties in the Gulf war, but admitted that it was "impossible to leave the Iranian people defenceless." The admiral also declared that he had been asked by the Iranian Government to return to Tehran in 1984 as commander-in-chief of the Armed Forces. But he refused the offer because the government rejected his conditions for the job — namely that Tehran follow a principle of non-involvement in domestic Iraqi affairs, he said.

Envoy to Paris Meets With France's Raimond

LD110747 Tehran IRNA in English 0737 GMT 11 Dec 86

[Text] Paris, Dec 11, IRNA — Iran's charge d'affaires to France Gholam Reza Haddadi met with the French External Relations Minister, Jean Bernard Raimond, here Wednesday afternoon. During the one-hour meeting the two sides discussed normalisation of relations and continuation of negotiations to this end. The Iranian charge d'affaires stressed the need to speed up repayment of the rest of the French debt to Iran.

In 1974 Iran granted a one-billion-dollar loan to the French Atomic Energy Commissariat which is now believed to have doubled taking into account its due interest. The French Government recently paid back dlrs. 330 million as the first installment. Iranian diplomats in Paris say that a French delegation in charge of the negotiations is expected to arrive in Tehran in the next few days.

French officials on various occasions have announced desire for normalisation of relations with Iran. Following the expulsion of the terrorist MKO Leader Masoud Rajavi from Paris and Premier Chirac's remarks admitting that the group was involved in armed struggle against Iran, settlement of financial disputes is regarded as a positive step in normalisation of Tehran-Paris ties.

Commerce Minister Comments on Economic Program

PM100953 Tehran KEYHAN in Persian 1 Dec 86 p 18

[Part one of exclusive *Keyhan* interview by unidentified correspondent with Minister of Trade and Commerce 'Abedi Ja'fari; date and place not given]

[Text] */Keyhan/* Following the fall in petroleum prices the government initiated a new economic policy. What effects has this new economic package had on the country's trade, especially foreign trade — both in terms of changing trading partners and also in terms of the percentage of the various groups of imported and exported items?

['Abedi Ja'fari] The enemy aims to force the Islamic Republic of Iran into submission in any way possible. None of these small and large plots has been able to force this country to bow its head toward the aggressive colonialists so this time they have tried to bring us into submission by lowering our revenues and hard currency earnings. This is why they have come after our main source of hard currency — oil. With the help of their lackeys they are trying to cut off or lessen the flow of this lifeblood of our economy.

The enemy has divided this operation into two parts. One is presenting the thesis of lower oil prices on the world market and the second strategy is destroying or damaging the Islamic Republic's oil installatons, including both production and export facilities.

To foil this plot there had to be a struggle on two fronts. One was to immediately arrange a new economic package for the country. This new policy had to be able to minimize any damage caused by the sudden drop in oil prices and oil resources and the inevitable fall in hard currency reserves. The second point was that the government had to make the best use of these conditions and to turn this issue into a launching pad to further advance the growth of the Islamic Revolution.

It would be incorrect for us to start thinking that such a huge plot was planned without the help of internal elements kept inside Iran by world aggression. So, alongside this plot we also witnessed successive internal reactions. The first coordinated effort in this area was the unveiling of state economic secrets in one of the newspapers. The most secret information was thus published in the worst possible way quoting several people. Knowingly or unknowingly this action was, in effect, a kind of cooperation and

coordination with the Westerners and superpowers who had plotted the issue.

Their aim was to lower the people's morale in their struggle against the effects of this plot. Another negative act undertaken by the internal elements of the aggressors was to create chaos in the distribution of essential items and to engage in the hoarding of these goods.

Yet another action taken in this connection was to cleverly try to say that the government was forced to take these new economic measures because of new conditions and lower oil prices, thereby letting the world aggressors off the hook. This meant they were trying to direct the people's complaints toward the regime and the Government of the Islamic Republic, so as to put the blame on our official rather than against world aggression.

Another problem that they caused was to oppose any quick action the government wanted to take by putting lables on them such as saying they were "uncalled for" or else that they were "against religious laws." This caused a slowdown in the government's movement in facing these issues. In any case, the government planned and implemented its new economic policy despite all the problems we knew were going to be created inside the country alongside the external elements.

This is a 2-year program for 1986 and 1987 and most of its activities center on ways to face the new conditions that have been imposed on us. Using these new conditions is a kind of launching pad to achieve the goals of the Islamic Republic in the field of economy and self-sufficiency.

There are five main goals at the top of this economic program. The first of these is to provide all the things needed by the imposed war, making full use of all internal resources and capabilities. The second aim is to provide all the necessities of the country's agriculture and natural resources so as to fully utilize the country's capabilities. The third goal is to provide the minimum basic requirements for a revolutionary society in war, with fixed prices, including efforts to control the general level of prices.

The fourth goal was to continue the movement to correct the economic set up — to cut off dependence on oil and keep the level of productive employment as high as possible. The fifth goal was to change consumer habits.

With regard to the effects of this new economic policy on foreign trade, I must say that for one thing our foreign currency earnings have been devoted to items that we really need. The movement the government started in this area was the immediate choosing of those goods most needed by our society. So, foreign trade investments for imports were devoted mostly to these goods.

This is how this was done: Priority was given to defense items, then to medicines and essential goods, and then, further down the list of priorities, were other items such as foodstuffs, clothing, and so on.

Of course, it must be said that the drop in oil prices and lower hard currency earnings have had an effect on our imports in terms of the nature of the goods we bring in. For example, in 1983, when the Government of the Islamic Republic had the most hard currency for imports at its disposal, this was the breakdown of the items needed in various areas: Essential items took up 20 percent of the hard currency earnings, raw materials and machinery for the Ministry of Industries 30.8 percent, necessities for the Ministry of Heavy Industries 16.44 percent, agriculture 10.8 percent, and the field of trade, other than essential items, 21.96 percent.

Here is a breakdown of the five main areas for currency spending in the first 6 months of 1986, when the effects of the new economic program could be felt: Essential items accounted for 55 percent of our entire imports, necessities for the Ministry of Industries 20.72 percent, heavy industries 7.67 percent, agriculture 6.73 percent, and other imported goods 9.84 percent.

As the figures show, essential items account for more than 50 percent. These include wheat, edible oil, rice, and other necessary items. The lower share given to industry shows that, in general, most of our dependence was in the industrial field. Our industry is the first thing that will be hurt when attacked. This is why we have the biggest cuts in this area. The government's aim is to stress those fields that have the least dependence on foreign currency.

The share cut from agriculture is far less than the cut in the share of the industrial sector. I must also add that in order to safeguard employment and to help in the advancement of small producers and production guilds, a special sum of hard currency has been put aside. The Ministry of Industries has taken the responsibility of importing the goods needed in these areas. These items are slowly beginning to arrive and will be placed at these people's disposal.

With regard to our trading partners, because most of our imported items are strategic goods or essentials, it is natural that, as compared to previous years, the makeup of our trade partners has swung in favor of countries producing such goods. This trend has also moved in favor of Islamic or Third World nations, rather than Western countries which usually produce the latest in industrial hardware. These changes are evident in the formation of the various blocs of trading partners following the drop in oil prices compared with previous years. For example, before the Islamic Revolution the Western bloc provided some 85 percent of our import needs. In 1979 this figure dropped to 80 percent and in 1980 to 66 percent. In 1983 the figure rose to 73 percent because of an overall increase in imports. But in the first 6 months of 1986, which witnessed the fall in petroleum prices, this figure again dropped to 66 percent.

The Eastern bloc socialist countries, which accounted for some 6.8 percent of Iran's import trade before the revolution, accounted for 7 percent in 1979, 15 percent in 1980, and 8 percent in 1983. In 1986 this figure dropped to 7 percent.

There are no specific figures for Islamic and Third World trade partners before the revolution. Altogether they had 8.16 percent of Iran's trade before the revolution. In 1979 Islamic countries took 4 percent and Third World nations 7.5 percent, and in 1983 Islamic nations took 10 percent and the Third World 9 percent.

In the first 6 months of 1986 the Islamic countries took 15 percent and Third World nations took a 7 percent share of Iran's commerce.

This means that commerce with these nations, which totaled 8.16 percent before the revolution, has increased to 22 percent. In other words, during the first 6 months of 1986 close to 25 percent of the Islamic Republic's purchases have been from Islamic or Third World countries.

[Keyhan] It seems that Turkey, which is one of our main trading partners, has been included in the list of Islamic and Third World nations. If we remove Turkey from the list, it would change the figures considerably and we would see that the pattern has not changed all that much during the first 6 months of 1986.

If we really recognize the West as the one delivering blows to our economy, then it would be appropriate to considerably decrease our trade with the West. This has not happened since the new economic plan has been implemented. In addition to this, before the revolution Turkey was considered to be part of the European bloc and the EEC, yet today it is considered an Islamic state and Third World nation.

['Abedi Ja'fari] With regard to Islamic nations, we do not have a state like the Islamic Republic of Iran outside our own borders. So it is natural that those Islamic countries we deal with have a Muslim population or a minimum sort of Islamic government. In addition to this, being neighbors and having the least amount of expense in trade are bonus points in favor of trade ties with these nations.

It is true that Turkey, within the bloc of Islamic countries, has taken a large portion of our trade, but one must not forget that nations such as Pakistan, which sells us rice as an essential item plus other necessary goods, take up a considerable percentage within the Islamic nations group. Some other Islamic states such as those in Africa and so on are gradually opening up a place for themselves to have trade relations with the Islamic Republic of Iran.

Another important point in answering your question is that 6 months is not a long time to evaluate the results of the fall in oil prices on our trade relations and partners. Because of agreements, contract, and so on, changing commerce partners needs a longer time — 1 year for example — so as to be able to make some changes in the contracts and letters of understanding. Using these conditions, we could then stabilize our direction.

Figures show that these positions are taking their own directions and advancing. If God is willing, by the end of 1987 the figures will show that what the West thought was a plot against the Islamic Republic will have had quite the opposite results, and what their plot left for us is exactly the opposite of what they expected.

The enemy considered several things as its basis for action. Their first assumption was that this country was heavily dependent on oil revenues and that it would not be able to rid itself of this dependence very quickly and to achieve other sources of income, including nonoil exports. Their second assumption must have been that the consumer habits created for our people during the disgraceful reign of the father and son [The Pahlavi dynasty], especially after 1973, which saw a sharp increase in oil prices, would be difficult to change. They thought that we would surrender in the face of the pressures of demand and shortages.

In the field of exports, the direction that was chosen and acted upon within the new economic package was to push all possible facilities toward exporting nonoil products. This would enable this factor to take its place as a healthy one within the country's economy.

For example, in the first 7 months of the current year, some 302 tons of goods valued at $434 million was exported. In comparison, for the same period in 1985 we saw a decrease in terms of weight, but in value we saw an increase of 67 percent. Perhaps we are first in the world in terms of non-oil exports in 1985. All this has caused the road to be opened for non-oil exports to make way for a healthy movement in this field.

In terms of quality, new products have been added to our list of nonoil exports. It must also be said that this year, with the help of the Almighty, we have had several trade delegations who have visited other countries to promote our nonoil products, and this is perhaps the first time that this has been done.

As far as various fields are concerned, within the framework of exports, the industrial sector has not had a large share because of problems regarding raw materials. So, 42.85 percent of these exports are made up of agricultural products.

Mineral products also do not have a large share of these exports because of the problems that remain to be solved. Of course there have been some laws passed in this regard which have opened up the path for the export of minerals. If God is willing, we should see considerable improvements in the field of nonoil exports.

Rugs and handicrafts used to make up 41 percent of our total exports and another 12 percent dealt with other products. The most important exports in terms of their value included rugs, fresh fruits, pistachios, animal skins, animal guts, caviar, raisins, and spices. The total hard currency obtained from the sale of nonoil exports in the first 7 months of the current year was $434 million. In order to encourage exporters, some currency discounts are taken into consideration. This figure is usually the currency that does not return directly to the Central Bank. Calculating these discounts within the total sum of exports, about $354 of the $434 million in hard currency is not affected by discounts. This means that 81.63 percent of the hard currency is returned directly and 18.36 percent or nearly $80 million is the hard currency the government gives as a discount by not demanding it from exporters. If we continue our current trend, we expect this year's nonoil exports to be between $700 and $800 million.

Some of the things that have been brought into the country in exchange for the currency earned from nonoil exports in the first 6 months of this year include coffee, spices, chemical material, cleaning materials, and items used in the packaging of goods.

[Keyhan] With regard to nonoil exports, there are some issues that prevent these from expanding. It seems that the private

sector has acted in an unpraiseworthy manner. On the one hand this sector has been exporting a great quantity of items needed by the people, which in turn has increased the price of these items considerably. This has caused problems and pressure for lower-income families. This means that the increase in our nonoil exports has meant higher prices for the lower-income levels of our society.

On the other hand, it takes a long time to get a bank receipt following a deposit. So it has been noted that in some cases the exporter gets his hard currency earned as a result of his trade much sooner than mentioned in the bank receipt. Therefore the exporter engages in deals abroad and puts some of his personal profit in foreign bank accounts.

It seems that the incentive measures adopted for the private sector have caused an increase in nonoil exports, but it must also be noted that it places at the disposal of the private sector a large proportion of the hard currency earned. This enables this sector to bring into the country nonessential items independent of the wishes of the government. What explanations can you give with regard to these problems? Also what sort of encouragement or mechanism has been chosen to bring back into the country's economy the hard currency earned from the sale of nonoil items?

['Abdedi Ja'fari] The first goal at the start of the new economic program was to activate nonoil exports. Thank God the figures show that this has been done. Today we are not as worried as before about activating this sector.

In the second stage there is the question of the direction of these exports. Some of the problems you mentioned were thought about in the first stage of the program. This means that we knowingly used methods of encouragement to activate such exports. Even now we are forced to use similar methods to enter markets where we have never had a presence before, so that we can present our goods to those markets.

But from now on, under the present circumstances of the new economic package there are plans that are really in the second phase of our nonoil export effort. The aim is to see how we can push this export effort in a completely correct direction, without decreasing its speed, in a way that would prevent the damage incurred at the start of the movement. For example there are plans to have a stock market for nonoil products in these new economic conditions. Nonoil currency would be exchanged in this stock market, but the management of the market would be up to the government and the Ministry of Finance and Economy. Or we could have the money earned from exports placed in a fund that could be used to further identify the needs of the export sector such as participating in trade fairs.

I would like to elaborate on some of the points you have raised. We have implemented three methods in order to raise nonoil exports:

1. The method of buying back hard currency earned as a result of exports is done at a preferential rate. This means that the Central Bank has to buy this hard currency based on the type of goods exported and the amount of hard currency earned as a result of the export at a better rate. In some cases such as apples, which we have in large quantities, the preferential rate for their export has been estimated at up to about 400 percent. Other items have a difference of 5 or 10 percent and so on.

2. The second method to encourage exports was to allow the exporter to import necessary items in exchange for the goods that he was selling abroad. This meant that the exporter would have two sets of profits. One profit was the export itself and the incentive measures given to him by the government, and another was the profit that he earned from the goods that he was importing and distributing in the domestic market. This was also considered to be an encouraging factor for exporters.

3. The third factor was in the form of "prizes" and cash bonuses, which was hardly used at all.

What we are more concerned with and what has been thought about, which could be damaging to our distribution system, is the fact that exporters are allowed to import goods in exchange for what they have exported. Of course there were some measures taken, such as making a list of goods that would be allowed into the country in exchange for exports. This list had to provide the needs of our society. It did not include those items not allowed into the country or those goods way down on our list of priorities.

As we have mentioned before, some of those goods not controlled in terms of prices and distribution have caused problems on the domestic market and this year, if God is willing, we have to deal with the issue in a more organized manner.

Under the new economic conditions it seems we have been successful in our direction. Decreasing imports of nonessential items or those that are not all that necessary has been successful. The brothers familiar with economic affairs in the Islamic Republic indicate that this country can be run with $12 billion in hard currency. But this needs planning and careful consideration. This pressure imposed by the superpowers caused us to quicken our pace with regard to our aim of limiting imports.

Our imports, which were more than $18 billion in 1983, have decreased; fortunately exports have enjoyed considerable growth since 1982. Of course if we place these two factors side by side, there is still a huge difference when comparing our imports to our nonoil exports. But we must hope to achieve some sort of balance in the coming years. What is even more important is the ratio of our nonoil exports to our imports. In 1980 and 1983 about 6.2 percent and 2 percent respectively of our total imports were offset by exports. In 1986 this figure rose to 10.33 percent. We consider this a healthy sign in our foreign trade.

Reportage on Combat Operations in War With Iraq

'Further Blows' Dealt Inside Iraq

LD101747 Tehran Domestic Service in Persian 1630 GMT 10 Dec 86

[Text] According to the Central News Unit in the wake of a series of guerrilla and infiltration operations by Islam's combatants, under the command of the Ramadan headquarters, deep inside Iraqi territory, culminating in the destruction of certain installa-

tions and facilities of Saddam's Zionist regime, Iraqi Kurdish Hezbollahi forces, commanded by Shaykh Muhammad Khalidi, dealt further blows against the Ba'thists on 8 December 1986. During these operations the command headquarters of the Sherwan Battalion and (Mulbakr) Company affiliated to the Margah Sur Governorate in Irbil Province were attacked 60 km deep inside Iraqi territory and as a result, the two command centers of the Iraqi forces were utterly destroyed.

During these operations, while causing heavy losses to the Army of the Saddam regime, a number of servicemen stationed in these headquarters were either killed or wounded.

According to reliable reports coming from inside Iraqi territory, in addition to these operations another group of the Iraqi Kurdish Hezbollahi forces, set up an ambush on the Sherwan-Margah Sur highway and destroyed one Iraqi Army vehicle killing six of its passengers.

Further IRGC, Kurdish Operations

LD111153 Tehran IRNA in English 1135 GMT 11 Dec 86

[Text] Tehran, Dec 11, IRNA — Tens of light and heavy Iraqi arms, several wireless units, and some vehicles were set ablaze and a big complex was demolished and its personnel killed during an operation of Muslim combatants along Kani Masi-Zakhu road inside Iraqi territory this week.

The operation was carried out by forces under the command of Ramadan headquarters for irregular warfare of the Ground Forces of the Islamic Revolution's Guards Corps and in collaboration with Peshmergas of Iraq's Kurdistan Democratic Party (KDP).

'Sikrava' Brigade of the 38th Army Division of Iraq was demolished by 80 percent and a great number of its personnel were killed or wounded. There were several officers and NCO's, including First Lieutenant 'Azad Hatim Khalifah, commander of an Iraqi battalion, among the slain. A number of Iraqi forces were also captured by Muslim combatants during the operations.

In another operation this week, military bases of 'Shaqlawah' and 'Nahuki' [name as received] along Zakhu-Kani Masi axis were damaged during an attack by Muslim combatants. In Dahuk also, a big livestock breeding complex was demolished.

The Turkish television has reportedly screened a film on the casualties inflicted on the Iraqi Army during the operation with bodies of Iraqi forces and demolished vehicles also on display.

Iraqi Jets Over Ilam Forced To Flee

LD101751 Tehran IRNA in English 1745 GMT 10 Dec 86

[Text] Ilam, Dec 10, IRNA — Iraqi planes broke the sound barrier over Ilam and some other cities in the province at 17:00 hours local time (13:30 GMT) Wednesday.

The enemy planes were forced to flee by heavy Iranian anti-aircraft fire, before carrying out their bombing mission.

Communique No 2,681

LD101605 Tehran IRNA in English 1543 GMT 10 Dec 86

[Text] Tehran, Dec 10, IRNA — Iraqi forces sustained heavy casualties and losses throughout the fronts in artillery duels with Iranian Muslim combatants on Tuesday, said a military communique released by the Joint Staff Command of Iran's Armed Forces here Wednesday.

Communique Number 2,681 said that Iranian forces heavily shelled Iraqi positions and gun emplacements in the northwestern fronts Tuesday [9 December] inflicting substantial casualties and losses on enemy troops and silencing their fire.

Exchange of artillery fire continued in Bakhtaran and Ostan-e Ilam border fronts Tuesday raging somewhat more heavily in Sumar and Qasr-e Shirin operational theaters where Iraqi armoured units and motorized columns sustained considerable damage under Iranian artillery fire.

In the southern fronts, the communique said, Iranian forces continued fortifying their positions simultaneously with their shelling of Iraqi positions Tuesday. Convoys of Iranian patrols also inflicted several casualties on Iraqi patrols in these fronts.

Activities of those Iraqi tanks which came within the range of Iranian artillery fire were suppressed in Hoseyniyeh and Eyn-Khvosh operational regions, southern fronts, Tuesday, the communique said.

According to the communique, Iranian Gendarmerie forces maintained their fire superiority over Iraqi troops in parts of the southern and western fronts Tuesday killing a number of enemy soldiers and destroying several vehicles of theirs.

Communique No 2,682

LD111545 Tehran IRNA in English 1528 GMT 11 Dec 86

[Text] Tehran, Dec 11, IRNA — Iraqi troops suffered substantial casualties and losses and movements of their motorized columns were suppressed throughout the war fronts by heavy Iranian artillery and mortar fire on Wednesday, said a military communique here Thursday.

Communique Number 2,682 released by the Joint Staff Command of Iran's Armed Forces said that a number of Iraqi soldiers were killed or wounded and several enemy bunkers destroyed in the northwestern fronts in artillery duels with Iranian forces on Wednesday.

Elsewhere, in Marivan operational region, northwestern fronts, a number of Iraqi artillery pieces were destroyed and their crews killed by Iranian artillery fire.

In the western fronts, Iranian forces traded artillery fire with Iraqi troops on Wednesday killing or wounding a number of enemy soldiers and destroying five bunkers. Some Iraqi patrols attempting to infiltrate Iranian positions in these fronts sustained several casualties and were forced to flee under Iranian artillery fire.

Heavy casualties and losses were also inflicted on Iraqi troops in the southern fronts Wednesday. Enemy tank fire was silenced in 'Eyn-Khvosh operational region.

The Iranian Gendarmerie forces maintained their fire-power superiority over Iraqi troops inflicting heavy casualties and losses on them and disrupting their engineering operations. Movement of enemy vehicle columns was also checked.

Movement of a squadron of ten Iraqi tanks in the southern operation theater of Chazzabeh was suppressed by Iranian artillery fire Wednesday, according to the communique.